



# **ARMY TRAVEL CARD PROGRAM**

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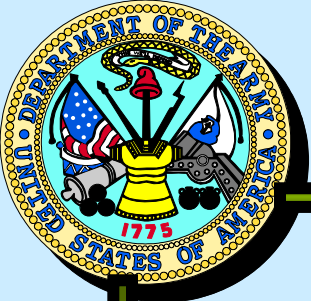
**ARMY PROGRAM MANAGER  
OFFICE, ASSISTANT SECRETARY OF THE  
ARMY  
(FINANCIAL MANAGEMENT &  
COMPTROLLER)**



# ARMY TRAVEL CARD PROGRAM

## CONTRACT & TASK ORDER:

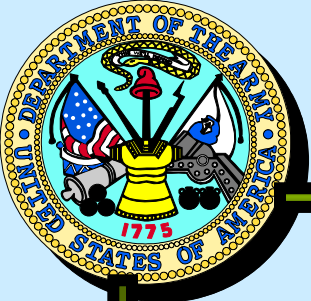
- **CONTRACT STRUCTURE:**
  - **GSA MASTER CONTRACT FOR ALL FEDERAL AGENCIES**
  - **DOD TASK ORDER WITH BANK OF AMERICA**
- **PERIOD COVERED:**
  - **TWO-YEAR CONTRACT (DEC 98 - NOV 00)**
  - **EIGHT ONE-YEAR OPTION (DEC 00 - NOV 08)**
- **INCLUDES SERVICES FOR:**
  - **INDIVIDUALLY BILLED ACCOUNTS (IBA)**
  - **CENTRALLY BILLED ACCOUNTS (CBA)**



# ARMY TRAVEL CARD PROGRAM

## PROGRAM FEATURES:

- **VISA CARD W/ WIDE ACCEPTANCE**
- **ON-LINE MANAGEMENT SYSTEM**
- **CONTROLS: CREDIT CHECKS, MERCHANT CODES, CARD TYPES W/ CHARGE LIMITS:**
  - **STANDARD CARD: \$500 ATM CASH/\$5000 TOTAL**
  - **RESTRICTED CARD: \$250 ATM CASH/\$2000 TOTAL**
- **FEES:**
  - **ATM CASH FEE OF 3% OR \$2.00(REIMBURSABLE)**
  - **RETURNED CHECK FEE OF \$29, LATE FEE OF \$29**
- **BANK REBATES, BASED ON CHARGE VOLUME**



# ARMY TRAVEL CARD PROGRAM

## TRAVEL & TRANSPORTATION REFORM ACT:

- **EMPLOYEE MUST USE TRAVEL CARD FOR OFFICIAL TRAVEL EXPENSES**
- **AGENCY CAN EXEMPT TYPES OF PERSONNEL OR EXPENSE**
- **AGENCY MUST REIMBURSE TRAVEL EXPENSES W/IN 30 DAYS AFTER CLAIM**
- **AGENCY MAY COLLECT DELINQUENCY FROM PAY**
- **UNDISPUTED AMOUNTS ONLY**
- **AFTER NOTIFICATION/DUE PROCESS**
- **COLLECTION NTE 15% OF DISPOSABLE PAY**



# ARMY TRAVEL CARD PROGRAM

- **TRAVEL CARD POPULATION (June 2004)**
  - IBA - 265,681
  - CBA - 4,510
  
- **SPEND BY PROGRAM (FY 04)**
  - IBA
    - \$464 MILLION
    - 4.2 MILLION TRANSACTIONS
  - CBA
    - \$495 MILLION
    - 1.1 MILLION TRANSACTIONS



# **ARMY TRAVEL CARD PROGRAM**

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## **PROGRAM GUIDANCE**

- **DODFMR VOLUME 9 CHAPTER 3**
  - **OVERALL PROGRAM GUIDANCE**
    - **DOD POLICY**
    - **RESPONSIBILITY**
    - **IBA AND CBA REQUIREMENTS**
    - **EXEMPTIONS**
- **ARMY POLICY GUIDANCE**
  - **AUGMENTS DOD GUIDANCE**
    - **SECRETARY OF THE ARMY MEMORANDUM**
    - **ASA (FM&C) POLICY MEMORANDUM**



# ARMY TRAVEL CARD PROGRAM

- **POLICY GUIDANCE**
  - **SEC ARMY MEMORANDUM**
    - **RESOURCE APC FUNCTION**
    - **REVIEW 10% OF ACTIVE ACCOUNTS**
    - **PROHIBIT USE FOR PCS EXPENSES**
    - **DEACTIVATE CARD ON PCS**
    - **EXEMPT DEPLOYMENT TRAVEL**
    - **ESTABLISHED ARMY GOAL OF 4.5% OF DOLLARS AND 3% OF ACCOUNTS DELINQUENT**



# **ARMY TRAVEL CARD PROGRAM**

## **POLICY GUIDANCE**

### **– ASA (FM&C) MEMORANDUM**

- **ADEQUATELY RESOURCE APC FUNCTION**
- **PROHIBIT USE FOR RELOCATION EXPENSES**
- **REQUIRE MONTHLY REVIEW OF TRANSACTIONS**
- **MANDATES APC/CARDHOLDER TRAINING**
- **MANDATES CLOSING OF INACTIVE ACCOUNTS**
- **DISCIPLINARY ACTION FOR ABUSE, MISUSE**
- **DISCOURAGE USE FOR DEPLOYMENT TRAVEL**
- **SECURITY CLEARANCE REVIEW**
- **NON SUFFICIENT (NSF) CHECK REPORTING**





# ARMY TRAVEL CARD PROGRAM

- **CARDHOLDER RESPONSIBILITIES**
  - **USE TRAVEL CARD FOR ALL OFFICIAL TRAVEL EXPENSES**
  - **EXPENSES ARE LIMITED TO THOSE NORMALLY REIMBURSED AT TRAVEL SETTLEMENT**
  - **CARDHOLDER ONLY EXPENSES**
  - **LIMIT CASH USAGE. USE TRAVEL CARD WHENEVER POSSIBLE**



# ARMY TRAVEL CARD PROGRAM

- **CARDHOLDER RESPONSIBILITIES**
  - **RETAIN ALL RECEIPTS**
  - **SUBMIT TRAVEL VOUCHER WITHIN 5 DAYS OF RETURN OR EVERY 30 DAYS IF TDY IS OVER 45 DAYS DURATION**
  - **USE SPLIT DISBURSEMENT OPTION TO PAY CONTRACTOR.**
  - **PAY BALANCE IN FULL AND ON TIME.**



# ARMY TRAVEL CARD PROGRAM

- **CARDHOLDER RESPONSIBILITIES**
  - **UNDISPUTED CHARGES MUST BE PAID BY DUE DATE**
  - **DISPUTES ARE THE RESPONSIBILITY OF THE CARDHOLDER**
  - **CONTACT MERCHANT IMMEDIATELY OR CONTRACTOR WITHIN 60 DAYS OF STATEMENT DATE ON WHICH CHARGE APPEARS**
  - **CHARGES NOT PAID OR DISPUTED WILL BECOME DELINQUENT**



# ARMY TRAVEL CARD PROGRAM

## • DELINQUENCY CYCLE

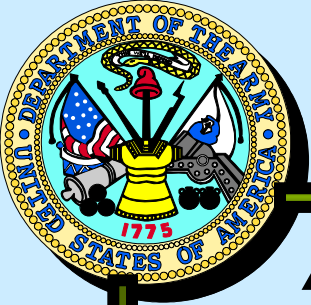
- 30 DAYS - PAST DUE
- 60 DAYS - DELINQUENT - CARD SUSPENDED
- 75 DAYS - \$29 LATE FEE CHARGED TO ACCOUNT
- 90 DAYS - DUE PROCESS LETTER SENT TO CARDHOLDER ADVISING THEY HAVE 30 DAYS TO SETTLE ACCOUNT OR IT WILL BE SENT FOR COLLECTION VIA SALARY OFFSET
- 120 DAYS - CARD CANCELLED. CREDIT BUREAU NOTIFIED
- 210 DAYS - ACCOUNT CHARGED OFF



# ARMY TRAVEL CARD PROGRAM

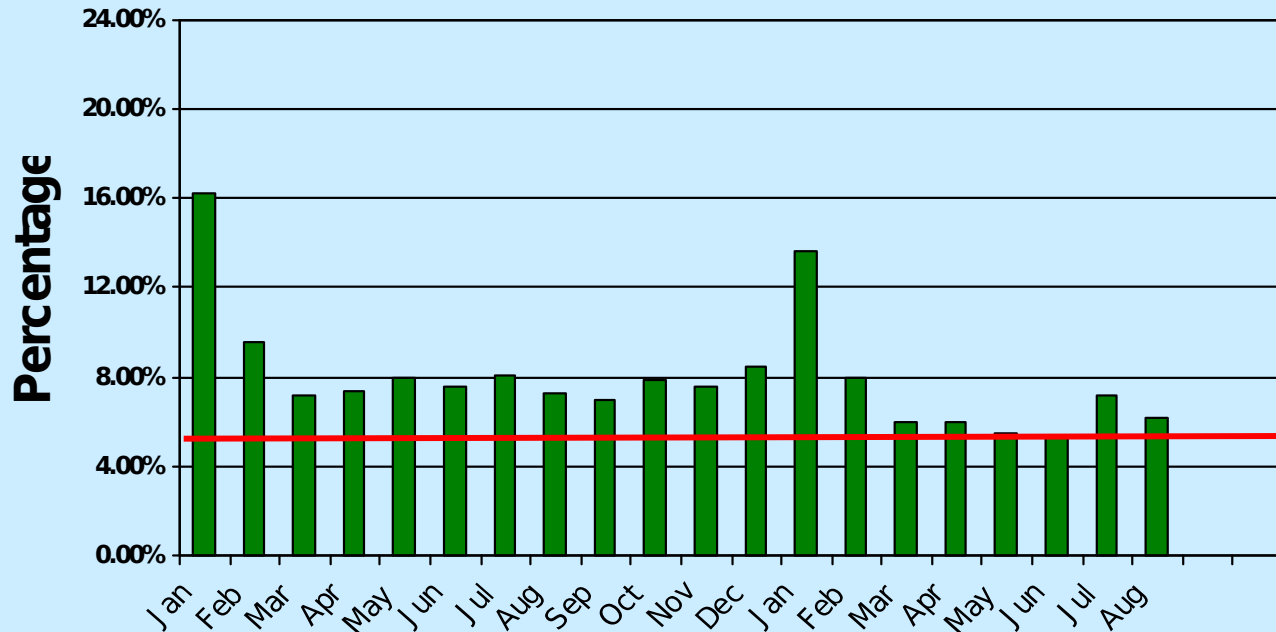
## • ACCOUNTABILITY

- PERSONAL FINANCIAL RESPONSIBILITY
- VIOLATION OF PUBLIC LAW: PL105-264
- CARDHOLDER AGREEMENT OUTLINES CONTRACTOR  
REMEDIES (LATE FEES, ETC.)
- STATEMENT OF UNDERSTANDING
- NEGATIVE CREDIT BUREAU REPORTING
- SALARY OFFSET OR INDEPENDENT  
COLLECTION AGENCY REFERRAL



# ARMY TRAVEL CARD PROGRAM

## *Army Dollars Delinquency Rate* (January 2003 - August 2004)



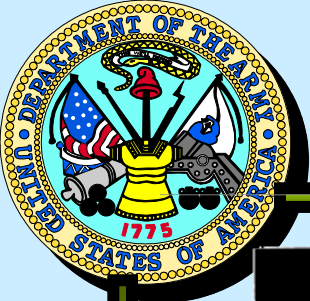
**ARMY  
GOAL  
4.5%**



# **ARMY TRAVEL CARD PROGRAM**

## **SALARY OFFSET STATISTICS June 2004**

- **ARMY AC**
  - **515 CARDHOLDERS IN PROGRAM**
  - **\$19.1 MILLION COLLECTED**
- **ARMY RC**
  - **1027 CARDHOLDERS IN PROGRAM**
  - **\$6.7 MILLION COLLECTED**
- **DOD SUMMARY**
  - **3,098 CARDHOLDERS IN PROGRAM**
  - **\$48.1 MILLION COLLECTED**



# ARMY TRAVEL CARD PROGRAM

## Split Disbursement by HL 3

HL 3 Name	FY 2003	FY 2004
SPACE AND MISSILE DEFENSE COMM	54.87%	74.58%
U.S. ARMY CRIMINAL INVESTIGATI	40.49%	68.59%
ADVANCE CONCEPT TASK & EVAL AG	45.69%	68.10%
ARMY TEST AND EVALUATION CMND	50.11%	67.36%
USA MILITARY ENTRANCE PROC CMD	48.07%	65.68%
US ARMY TRAINING AND DOCTRIN	48.84%	65.35%
US ARMY MATERIAL COMMAND	43.48%	64.85%
ARMY NATIONAL GUARD	45.77%	62.49%
MILITARY SURFACE DEPL&DISTRIB	54.07%	61.76%
US ARMY RESERVES	46.08%	61.66%
NETCOM	36.22%	60.10%
INTELLIGENCE AND SEC COMMAND	42.81%	59.91%
US ARMY MEDICAL COMMAND	38.39%	59.51%
OPERATING AGENCY 22	31.52%	59.08%
HQ OCAR	37.60%	58.87%

HL 3 Name	FY 2003	FY 2004
US ARMY FORCES COMMAND	42.25%	58.74%
MILITARY DISTRICT OF WASHINGTO	35.14%	58.22%
US ARMY ELEM ALLIED CMD EURO	35.94%	57.87%
US ARMY SPECIAL OPERATIONS COM	30.79%	53.01%
US ARMY PACIFIC(USARPAC)	31.01%	52.82%
US ARMY SOUTH	34.14%	52.70%
US ARMY EUROPE AND 7TH ARMY	29.70%	52.67%
USA CORPS OF ENGINEERS(USACE)	31.28%	50.44%
IMA	34.11%	49.34%
CHEMICAL MATERIALS AGENCY	29.15%	47.08%
EIGHTH US ARMY US FORCES KOREA	11.71%	46.66%
UNITED STATES MILITARY ACADEMY	19.15%	44.00%
DASA FO	28.03%	14.68%
COMMUNITY & FAMILY SUPPORT CEN	2.91%	8.13%
<b>Grand Total</b>	<b>41.68%</b>	<b>60.21%</b>





# ARMY TRAVEL CARD PROGRAM

## • RESULTS

- **DELINQUENT DOLLARS REDUCED FROM 16.35% IN JANUARY 2003 TO 5.50% AT PRESENT**
- **DELINQUENT ACCOUNTS REDUCED TO 1.6%**
- **CHARGED OFF ACCOUNTS REDUCED BY 30%**
- **CANCELLED 231,000 ACCOUNTS**
- **INCREASED PROGRAM VISIBILITY AND COMMAND INVOLVEMENT**
- **PROGRAM METRICS POSTED TO ARMY'S SENIOR LEADER PAGE, ARMY KNOWLEDGE ONLINE WEBSITE**
- **ARMY AUDIT AGENCY CURRENTLY CONDUCTING COMPLIANCE REVIEWS IN 5 MACOM**



# **ARMY TRAVEL CARD PROGRAM**

## **PROGRAM OVERSIGHT**

- **DOD INITIATIVES**
  - **DATA MINING**
    - **DOD ESTABLISHED INDICATORS**
    - **VISA**
    - **DODIG**
    - **CBA AND IBA DATA**
  - **REPORTS TO SERVICE FOR ACTION**
    - **EXPANDS ARMY ACCOUNT REVIEW REQUIREMENT**
    - **REPORT ON RESULT OF TRANSACTION REVIEW TO INCLUDE ANY ADMINISTRATIVE/DISCIPLINARY ACTION TAKEN**



# **ARMY TRAVEL CARD PROGRAM**

## **PROGRAM OVERSIGHT**

- **DOD INITIATIVE (CONT'D)**
  - **CREDITWORTHINESS**
    - **CODIFIED BY FY 04 DEFENSE AUTHORIZATION ACT**
      - **DOD WILL DETERMINE CREDITWORTHINESS BEFORE ISSUING CHARGE CARD**
    - **S-1744 AND H.R. 3329**
      - **EXPANDS THE PROVISION GOVERNMENT WIDE**
    - **DOD POLICY**
      - **CREDIT CHECK**
      - **SELF CERTIFICATION**
      - **MINIMUM FICO SCORE OF 500**
  - **FAILURE TO MEET MINIMUM FICO SCORE OR SATISFACTORILY COMPLETE SELF CERTIFICATION WILL MAKE INDIVIDUAL INELIGIBLE FOR CARD**
    - **TRAVEL ADVANCE, PERSONAL FUNDS, CBA/GTR FOR TRANSPORTATION COST**



# **ARMY TRAVEL CARD PROGRAM**

## **CONGRESSIONAL OVERSIGHT**

- **GAO AUDIT**
  - **IBA AUDIT FINDINGS (2002)**
    - **INCIDENTS OF MISUSE**
    - **LACK OF PROGRAM OVERSIGHT**
    - **LACK OF ACCOUNTABILITY**
    - **LITTLE EVIDENCE OF DISCIPLINE**
    - **INADEQUATE APC STAFFING**

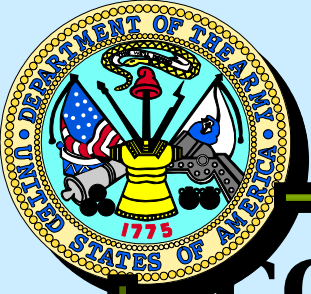


# **ARMY TRAVEL CARD PROGRAM**

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## **CONGRESSIONAL OVERSIGHT**

- **GAO AUDIT (CONT'D)**
  - **CBA AUDIT (2003/2004)**
    - **PREMIUM TRAVEL**
      - **JUSTIFICATION/AUTHORIZATION LACKING**
    - **CORRECTIVE ACTION**
      - **OSD P&R ISSUED POLICY MEMORANDUM CLARIFYING JUSTIFICATION/APPROVAL PROCESS**
      - **ESTABLISHED DOD TASK FORCE TO ADDRESS ISSUE**



# ARMY TRAVEL CARD PROGRAM

## CONGRESSIONAL OVERSIGHT

- **GAO AUDIT**
  - **CBA AUDIT (CONT'D)**
    - **PARTIAL/UNUSED TICKETS**
      - **\$32 MILLION (DOD WIDE)**
      - **\$3.9 MILLION (ARMY)**
  - **CORRECTIVE ACTION**
    - **DOD WILL SEEK REFUND**
    - **TRAIN TRAVELERS**
    - **COMMENT ON TRAVEL ORDERS**
    - **IBA FOR AIRLINE COSTS**
    - **DTS**



# ARMY TRAVEL CARD PROGRAM

## CONGRESSIONAL OVERSIGHT

- **GAO AUDIT**
  - **CBA AUDIT (CONT'D)**
    - **IMPROPER PAYMENTS**
      - **24,000 PAYMENTS IN QUESTION**
      - **CBA procured ticket with possible claim and reimbursement on travel voucher**
      - **DFAS is matching payments and travel claims and will report findings (continuing)**
    - **CORRECTIVE ACTION**
      - **ASA(FM&C) memorandum requiring commander and supervisor notification to travelers**
      - **More comprehensive review of travel claims by reviewing official (continuing)**



# ARMY TRAVEL CARD PROGRAM

- **SUMMARY**

- TRAVEL CARD MAKES TRAVEL CONVENIENT AND EASY
- TRAVEL CARD IS FOR OFFICIAL TRAVEL EXPENSES
- CARDHOLDER IS RESPONSIBLE FOR USE & PAYMENT
- COMMANDER & SUPERVISORS MUST BE INVOLVED
- [WWW.ASAFM.ARMY.MIL](http://WWW.ASAFM.ARMY.MIL)